

Statement of Hon. John J. Duncan, Jr.
Hearing on Agency Budgets and Priorities for FY 2007
March 1, 2006

I would like to welcome everyone to our first subcommittee hearing of this second session of the 109th Congress.

Last year, this subcommittee dealt with some very important issues and moved legislation that would improve the lives of every American.

Working together, we passed amendments to the Clean Water Act that would improve water quality at the nation's beaches, control the overflows of untreated waste during periods of wet weather, help communities find alternative water supplies, and protect and restore the water quality in Long Island Sound.

In addition, we passed legislation that would establish the Twenty-First Century Water Commission that would address future water resources management needs including future water supply and demand.

And once again the Subcommittee passed a Water Resources Development Act that would authorize Army Corps of Engineer projects and studies.

We had a very productive first session, and I look forward to a very productive second session as well.

As for our legislative agenda, I hope that the Senate will pass its Water Resources Development Act so that bill can move to conference and then to the President.

There has not been an authorization bill for Corps of Engineer projects since 2000. Since then the Chief of Engineers has recommended 35 major new projects for construction and a number of projects need to be modified in order to work more efficiently.

The only proposed new authorization language sent to Congress by the Administration came last week, and it is for additional flood protection work related to Hurricane Katrina.

I want to be responsive to the Administration's request and get the Corps of Engineers the authorizations they need to strengthen the flood protection system in New Orleans. The best way to do that is for the Administration to support adding the important Katrina authorizations to the Senate Water Resources Development Act that is ready for Senate floor action. This Committee can then address the needs in the context of a conference.

This approach will assure that the Corps of Engineers gets the authority it needs to make the flood protection system in New Orleans stronger and better. It also will address the water resources needs all over the country where Members have been working closely with communities and have been waiting several years to get their projects authorized.

Other priorities of the Subcommittee this year will be wastewater infrastructure, development of a levee inventory and safety program, reauthorization of Brownfield's grants, control of invasive species through ballast water management, and Good Samaritan legislation to remove barriers to abandoned mine cleanups.

Today the Subcommittee meets in the first of two hearings to examine the budgets and priorities of the agencies within our jurisdiction.

Today we shall hear from the Corps of Engineers, the Natural Resources Conservation Service, and the Saint Lawrence Seaway Development Corporation.

Next week, on March 8th, we will hear from the Environmental Protection Agency, the National Oceanic and Atmospheric Administration, and the Tennessee Valley Authority.

As a fiscal conservative, I support the President's efforts to control federal spending; however, as I have said before, I do not support cutting investments in America that have proven economic benefits.

Investments in the flood damage reduction projects help protect cities nationwide from the economic losses that come from hurricanes and other flood events.

As the global economy expands, there will be increasing demands on all modes of transportation. If the United States is to remain dominant in a world economy, we must have a modern transportation system and that means ports and waterways that can accommodate the transportation needs of tomorrow.

Unfortunately, the proposed Budget continues a trend of under-investments in water infrastructure. The result has been a steady and general degradation of our navigation and flood control infrastructure.

Overall, the Corps Budget Request for FY 2007 of \$4.7 billion is 42 percent below the FY 2006 enacted amount of \$8.2 billion, including supplemental appropriations. A fully obligated Corps program would be \$9 billion in FY 2007.

Under the proposed Budget, no new Corps studies are funded that would lead to traditional projects. This would affect not only the availability of good investment options in the future, but also would affect staffing levels in the Corps since employees are paid in part with study funds.

Construction funds for Corps projects are concentrated on a few on-going projects that can be finished relatively soon. This leaves most on-going projects with no funding at all.

As in recent past years, the Budget Request constrains funding for the operation and maintenance of Corps projects. The now chronic problem of deferred maintenance is affecting the navigability of our waterways. Some waterways have been temporarily closed, and ships must enter and leave some ports only partially loaded greatly increasing the transportation cost.

The most startling thing about this Budget Request is that it would require the termination of 532 on-going studies and projects. These are important efforts that the Congress has authorized and funded. Members have worked hard with the Corps and local officials to see that the necessary partnership agreements were made. This Budget Request abandons our constituents and calls into question the credibility and the Federal Government to live up to its obligations.

The Budget Request for the Natural Resources Conservation Service is even worse than that for the Corps of Engineers. The small watershed program that provides small, cost-effective projects that protect our water and our land in rural America would receive no funding under this Budget.

The Saint Lawrence Seaway Development Corporation is a transportation agency that manages the U.S. part of the Saint Lawrence Seaway. The Budget Request includes a proposal for new tolls on the use of the Seaway. This seems inconsistent with the Department of Transportation's efforts to increase use of the Seaway as a means of reducing congestion on other modes of transportation.

I look forward to hearing from the agency representatives that have come to testify.